

# Extracts from the Third Political Report to the Gauteng Provincial Legislature



By the Premier of Gauteng, David Makhura  
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In this year's Political Report I would like to start by making reference to a recent report released by the South African Institute of Race Relations titled, "Life in South Africa: Reasons for Hope." The report begins with the following statement:

"This report is about things that have gone right in South Africa. It features a selection of socio-economic successes we have achieved and the many ways in which life has become better. Some people will think it an odd time to release such a report. The context

is one in which the economy is not performing strongly. Too many people are unemployed. There is a great deal of corruption. Violent protests are commonplace. Questions are being asked about the future of South Africa's democracy. But amidst the turmoil, the SAIRR analysts see a story of a young democracy that has made a vast amount of progress in fields ranging from the economy and employment to living standards, poverty, education, healthcare and crime. This is not captured by screaming newspaper headlines but by the substantive progress we have made as a country since the end of apartheid. It is a story of hope amid change."

The Report indicates that the South African economy was 85% bigger in real terms and real per capita GDP was 33% higher than it was in 1994. The growth rate has averaged 3% was even up to 5% in the mid-2000s. Inflation has fallen from 9% in 1994 to 4.6% in 2015. The disposable income per capita in 2015 was 42% higher than it was in 1994.

Labour market participation for all South Africans increased from 47.7 % in 1994 to 58.8% in 2015 – an overall 21.8% rise. The number of people employed has almost doubled – from 7.9 million in 1994 to 15.6 million people in 2015.

South Africa has made significant progress in improving living conditions. The number of households with access to formal housing has increased by 131.3% since 1996. Our own review confirmed that Gauteng has built 1.23 million RDP houses (31% of the national stock). The number of formal dwellings has increased from 74.4% in 2001 to 81.4% in 2016.

Levels of extreme poverty, especially among Africans, in 2015 stood at 19.8%, representing a real decline of 62% in levels of extreme poverty among Africans. South Africans across the racial divide are more educated, with a 124% increase in the proportion of South Africans aged over 20 who have completed post-school education. The Report notes that the quality of our public health care system has also strengthened considerably, as indicated by the still birth rate which has declined from 27 deaths per 1 000

births to 21 deaths per 1 000 births – a decline of 22.2% between 2001 and 2014. Life expectancy has increased from an average of 56 years to 61 years owing largely to the interventions to treat 3.5 million people who are infected with HIV. With regard to violent crime, the murder rate has fallen from 68 per 100 000 in 1995 to 34 per 100 000 in 2015.

As Gauteng province, we continue to make progress on a number of areas. Gauteng's economy grew from R504 billion in 1995 to R952 billion in 2014, translating to a growth of 89%. Gauteng's contribution to national GDP grew from 33% to 35.1% in 2015.

GDP per capita for Gauteng grew from R74 052 in 1996 to R81 821 in 2015, a growth of 10%. For Africans in Gauteng, per capita income grew from R9 981 in 1996 to R41 416 in 2015, representing a growth of 315%. Over the past ten years, the provincial economy has consistently grown above the national average, at 4.5%.

### **Revitalising and mainstreaming the township economy**

We have been taking decisive steps to revitalize and mainstream the township economy. There is ample evidence to demonstrate that, step by step, we are succeeding in catalysing sustainable and meaningful economic activity in our townships. Already all linen contracts in our hospitals have been awarded to women owned enterprises, a number of whom are based in the townships.

As the Provincial government, we are committed to spend 30% of our goods and services budget on procuring from township suppliers and enterprises. At the end of the second quarter of this year, we had already exceeded the 18% target for 2016/17, and we spent over R6.8 billion procuring goods and services from 1 600 township suppliers. Municipalities have also spent more than R4.2 billion on procuring goods and services from township enterprises just in the 2015/16 financial year.

Over the past two years we have provided financial and non-financial support to a total of 25 526 SMMEs, township enterprises and co-operatives. In addition, we are currently developing over 700

township based suppliers, fitting them into our supply chain and introducing them to the provincial government's large suppliers for absorption into their value chains.

### **Progress on Tshepo 500 000 – giving hope to the youth!**

The trajectory on youth interventions is very positive and promising.

Since the launch of Tshepo 500 000 in December 2014, a total of 354 633 young have benefitted from this programme in the following areas of focus:

- Facilitating the placement of young people into permanent jobs: 91 561 permanent jobs in private and public sector institutions;
- Training and skills development: 145 321 young people trained in areas of high demand in the labour market;
- Entrepreneurship development and business development support for the youth: 15 121 young people are now accredited entrepreneurs who are receiving support from our procurement processes and supplier development programmes of our partner organisations in the private sector and state-owned enterprises.
- Youth participation in the public employment schemes - 102 630 young people have benefitted from Expanded Public Works Programmes.

These are the facts and irrefutable evidence that show there are indeed reasons for hope!

### **Building an activist, accountable, responsive and clean government**

More than anything, we would like to assert boldly and loudly, through conviction and action, that the ANC is capable of governing with integrity and competency. Equating corruption and incompetence with the ANC is the kind of red-baiting that should never go unchallenged.

One of the most powerful instruments in fighting corruption is to ensure transparency of the public procurement system. We have now expanded the Open Tender Process from two departments to all departments.

Currently 72 projects worth R10

billion have been awarded using the Open Tender System. We are very proud of the fact that Gauteng is the leader in promoting open government principles. This approach has received public commendation from civil society, business and government leaders.

As part of strengthening the fight against corruption, the Executive Council has approved a strict regime of anti-corruption and integrity guidelines that will ensure that we have clean governance and administration.

Among the measures we will put in place is the appointment of a civil society-led Integrity Promotion and Anti-Corruption Advisory Committee which will be chaired by a retired judge. The role of the Committee will be to vigorously enforce the guidelines and promote clean governance in our province. This Committee will help sustain the trajectory of clean governance and ethical leadership at every level of the administration.

According to the 2015/16 assessment conducted by the Office of Health Core Standard Compliance, Steve Biko Academic Hospital is the best central hospital in the Republic at 96%, Helen Joseph leads the national tertiary hospitals at 83%, while Leratong and Rahima Moosa leads the regional hospitals nationally with 80% and 86%, respectively.

We shall reward outstanding performance in all sectors, while at the same time taking action against those who use the public service as a parking bay for incompetent managers and lazy workers.

In the 2015/16 financial year, our departments and entities answered the call for excellence in the management of public finances. Accordingly, 60% of the auditees got a clean audit, while the remainder of the 40% got unqualified audits with matters. We have totally eliminated adverse and disclaimers from our province. We are pushing forward with the goal of 100% clean audits. The Department of Health and G-Fleet are the most improved. There is no turning back. Not under my watch!

We are pleased to announce that during the 2015/16 financial year we saved R385 million in fruitless and

wasteful expenditure because we paid our invoices on time and contained litigation expenses. We have also recorded a 25% reduction in irregular expenditure, and saved R400 million over past two years on non-core spending.

During the 2017 State of the Province Address, we will announce exciting plans about the expansion of the Gautrain and further work on the BRTs and Metrorail. All these plans will keep public transport on a positive trajectory.

Accordingly and in order to fast-track transformation and empowerment in the taxi industry, I appointed an Exco Political Steering Committee to deal with all matters pertaining to the taxi industry, including permits, law enforcement, integration into the public transport system and economic empowerment.

In addition, we will be discussing with municipalities the best ways of turning taxi ranks into assets that will benefit the industry, especially with regards to advertising revenue generated at these taxi ranks. We have also decided to fully integrate the taxi industry within our broader Township Economy Revitalisation Strategy. This we are doing as an acknowledgement of the taxi industry's role in the social and economic landscape of our townships.

### Accelerating Social Transformation

Together with the economy, education remains the most important area of focus of our administration. It is an area of tremendous progress and outstanding performance by our province. We run a huge public education system and which is governed and managed quite well. Enrolment in our public schools has grown from just over 1.3 million learners in 1994 to 2.3 million learners in 2016. The gender gap in respect of enrolment is zero in primary schools. More girls complete schooling at Grade 12 than boys. More than 1.7 million girls are attending educational institutions in Gauteng and in 2015, 83.2% of Gauteng female learners passed matric.

Between 2013 and 2015, we invested R450 million in bursaries that put 8 400 students through

higher education. In 2016 alone, the provincial government and municipalities have spent more than R550 million in bursaries for students from poor households, most of whom are women.

We are also aware that there are painful stories of mental health patients who have died under the care of our provincial Department of Health.

As the Premier, I would like to assure the bereaved families that I will take all the necessary action to ensure that justice prevails. My view is that the de-institutionalisation of mental health patients could have been handled better. I await the findings by the investigation of the Office of the Health Ombudsperson so that we can take appropriate action. Should it be found that government officials have acted improperly or negligently, I will act without fear, favour or prejudice. This matter has caused pain and anguish. I am planning to meet with all affected families in the next two weeks.

We wish to restate our commitment to building a safer Gauteng for women and children. Our specific interventions in this regard include:

- The implementation of the Gauteng Safety Strategy which has a specific focus on enhancing social crime prevention.
- Over the past three years we have trained 93 forensic social workers to boost our conviction rates.
- We continue to call for tougher sentences for perpetrators of gender based violence.

To provide further support to victims of gender based violence, we are establishing victim friendly rooms in our police stations. Currently 141 police stations in Gauteng have victim friendly rooms. We have also established 3 regional victim offices; in Duduza, Orange Farm and Tembisa.

We are determined to reduce the overall level of crime in Gauteng. We know for instance that last year, 9.1% of Gauteng households experienced crime. This figure is well above the national average of 7.5%. Linked to this is the reality that 78.7% of Gauteng households feel safe during the day, while at night only 32.8% feel safe. We are also pleased to report that a comprehensive Gauteng City Region

Policing Plan has been adopted in November and is being implemented. The deployment of police officers all over the province and their high visibility has been agreed as the part of turning the tide against crime. Cooperation of law enforcement officers – SAPS, metro police and traffic officers has been strengthened. Road blocks and random searches will be conducted to ensure that Gauteng residents see law enforcement officers everywhere and feel safe.

We have taken steps to ensure that more than 141 000 children are enrolled in publicly funded Grade R. We are also supporting more than 88 000 children through our Early Childhood Development programme. We are pleased to announce that we have begun expanding our ECD programme. Our goal is to reach universal access to ECD in the next 15 years. In the current financial year, we have expanded the Welfare to Work Programme from 4 444 young women to 6 975 beneficiaries who are now permanently employed so that they are able to support their children instead of depending on government grants. This flagship programme will be up-scaled so that we move more young mothers from welfare into productive and sustainable economic activities. This year, we unveiled the Women's Living Heritage Monument in Tshwane as part of commemorating the 60th Anniversary of the 1956 Women's March to the Union Buildings.

I hereby conclude this Political report by acknowledging the hard work of members of the Executive Council, Special Advisors, the Director General, HODs and other senior officials in our government.

I also convey my gratitude to Members of the Provincial Legislature for holding us accountable and keeping us on our toes for no reason other than to keep us on the path that ensures we remain loyal servants of the people of Gauteng, free from corporate or state capture. ■

